

Message Text

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ACTION COME-00

INFO OCT-01 AF-08 ISO-00 EB-07 OPIC-06 XMB-04 TRSE-00

AID-05 /031 W

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R 161330Z JUL 76

FM AMEMBASSY NAIROBI

TO SECSTATE WASHDC 1136

UNCLAS NAIROBI 7427

PASS ALSO OPIC AND EX-IM

E.O. 11652: N/A

TAGS: EINV, OPIC, KE

SUBJ: MAJOR PROJECTS: EMCON POLYESTER FIBER PLANT

REF STATE 167303

1. EMBOFFS DISCUSSED STATUS OF EMCO PROJECT WITH LOCAL INVESTOR NITIN MADHVANI JULY 15. ACCORDING MADHVANI, HE IS CURRENTLY ENGAGED IN CONFIRMING RELATIVES SIZES OF LOCAL PARTICIPATION: INDUSTRIAL DEVELOPMENT BANK (IDB), MADHVANI GROUP, AND POSSIBLY GOK. OUTSTANDING QUESTION IS IDB PARTICIPATION; HOWEVER, HE HOPES THIS WILL BE RESOLVED IN IDB DIRECTORS' MEETING END OF JULY.

2. MADHVANI IS SATISFIED WITH STATUS OF GOK APPROVAL. IN LETTER TO MADHVANI DATED APRIL 28, MINISTER OF FINANCE STATED EMCO PROJECT WOULD ENJOY CUSTOMS DUTIES EXEMPTION AND EXCHANGE CONTROL CONCESSIONS COMMENSURATE WITH PRIVILEGES ACCORDED OTHER MAJOR TEXTILE PROJECTS. MINISTER ASKED TO REVIEW DETAILS OF EMCO'S FINANCIAL PACKAGE WHEN AVAILABLE. LETTER ALSO ADVISED MADHVANI THAT GOVERNMENTAL GUARANTEE TO FOREIGN INVESTORS (I.E. CERTIFICATE OF APPROVED ENTERPRISE) WOULD BE CONSIDERED IF IT IS REQUIRED BY OVERSEAS GOVERNMENT LENDING OR CREDIT INSTITUTIONS.

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3. MADHVANI AND EMB BELIEVE THAT, CONSIDERING CURRENT STATE OF EMCO PROJECT, MINISTER'S LETTER IS SATIS-

FACTORY EVIDENCE OF GOK APPROVAL IN PRINCIPLE. WE UNDERSTAND FROM MADHVANI THAT US FINANCIAL SUPPORT HAS ALREADY BEEN ESTABLISHED. ONE EQUITY SHARES OF KENYAN PARTNERS ARE DETERMINED, INVESTORS CAN APPLY FOR CERTIFICATE OF APPROVED ENTERPRISE.

4. COPIES OF DOCUSMENTS REQUESTED IN REFTTEL, INCLUDING COPY OF MINISTER'S LETTER MENTIONED ABOVE WILL BE POUCHED.
MARSHALL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
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Concepts: FOREIGN INVESTMENTS, PROGRAMS (PROJECTS), INDUSTRIAL PLANTS, FIBERS
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Draft Date: 16 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
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Document Unique ID: 00
Drafter: n/a
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Margaret P. Grafeld
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04 MAY 2006

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TAGS: EINV, KE, OPIC, IDB, INDUSTRIAL DEVELOPMENT BANK
To: STATE
Type: TE
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